

**R. J. REYNOLDS TOBACCO COMPANY**  
**SELF-SERVICE 1 CARTON SHELF PLAN CONTRACT FOR**  
**R.J. REYNOLDS TOBACCO COMPANY'S 6-SHELF, 7-SHELF and GONDOLA MERCHANDISERS**

R. J. Reynolds Tobacco Company ("RJR") is pleased to announce the following shelf plans effective January 1, 1994, for all retail stores displaying cigarette cartons self-service, using merchandiser(s) approved by the RJR Representative. These shelf plans are available to all retailers operating stores which sell cigarettes primarily by the carton.

**MONTHLY PAYMENT PER STORE**

Cigarette volume will be determined by the average total weekly sales of all brands of cigarettes during the most recent three-month period.

**General Space Requirements:**

1. Top two shelves on merchandiser(s).
2. Lower shelf(s) in a contiguous manner as approved by an RJR Representative.

Monthly Payment Calculation Grid			
VOL CAT.	CIGT. VOLUME	PER ROW PAYMENTS	RJR MAXIMUM PAID ROWS
B	225-299	\$0.50 Per Row	66 RJR Rows
C	300-499	\$2.10 Per Row	100 RJR Rows
D	500+	\$2.50 Per Row	120 RJR Rows

**RJR SPACE and ROW REQUIREMENTS BY MERCHANDISER TYPE:**

• **6 Shelf Merchandiser(s)**

- In operating areas where RJR share of market is 30% or more, RJR's minimum space is the top two (2) shelves exclusively.
- In operating areas where RJR share of market is less than 30%, RJR's minimum percentage of rows required is not less than RJR's share of market for the operating areas. In no instance will RJR's rows be less than 25% of the total rows available.

• **7 Shelf Merchandiser(s)**

- In all operating areas, RJR's minimum space is the top two (2) shelves exclusively on all 7-shelf carton merchandiser(s) supplied by RJR.

**GENERAL REQUIREMENTS:**

- Distribution of all RJR brands in all price tiers as required.
- Row definitions for RJR merchandisers and retailer shelves:
  - 2-1/2' shelf = 8 rows
  - 3' shelf = 9 rows
  - 4' shelf = 12 rows
  - All other retailer shelves compute 3 rows per horizontal linear foot.
- All RJR rows must be in a forward facing position and occupy the entire depth of the shelf(s).
- All designated RJR top shelf rows must be stocked no less than seven cartons high. Additional designated RJR lower rows must be stocked no less than five cartons high.
- On all RJR approved merchandiser(s), the maximum height from the floor to the top carton on the merchandiser(s) is 80".
- RJR reserves the right to plan-o-gram, adjust and divide its allocated space as deemed necessary by the RJR Representative.
- Qualifying merchandiser(s) must have a minimum of four shelves and a maximum of seven shelves. Merchandiser(s) supplied by RJR may not be altered or modified in any way to change the configuration (capacity, height, width or depth), except by an authorized RJR Representative.
- The plan selected and capacity allocated for the display of RJR's products must not at any time be reduced from that capacity originally agreed upon at the time of contract signing.
- Retailer agrees to provide RJR accurate and current velocity information, to include RJR volume per week, and total industry volume per week.
- Retailer will provide RJR equal opportunity with its competitors, to place temporary displays and temporary price/promotion signage as requested by an RJR Representative.
- Retailer will not permit non-RJR advertising, promotional, or informational material, including that relating to the retailer's own products, to be appended to the merchandiser(s) and/or security equipment. RJR shall have exclusive rights to the advertising space above the merchandiser(s) and retailer shelves, although retailer may alternatively use said space for non-tobacco advertising.
- Retailer further agrees that restricting RJR's ability to display, promote or distribute RJR brands, or the ability to compete equally with other tobacco companies in all areas at retail, will result in termination of this contract.
- Retailer agrees to maintain an adequate supply of RJR brands on display at all times.
- Only one plan may be selected by any retail store.
- Retailer will permit the RJR Representative to make reasonable audits of performance and to inspect and rotate RJR's products in stores under contract.
- RJR reserves the right to modify or terminate this contract after notice to retailer. In the event of failure of performance by the retailer, this contract may be terminated by RJR forthwith and without notice.

51847 3710

R. J. Reynolds Tobacco Company will make payments by check as soon as practicable. Payments will be made for stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter but more than one calendar month. Retailer will not deduct amounts due under contract from invoices due RJR. However, R. J. Reynolds Tobacco Company may withhold payment from the retailer if the retailer fails to provide R. J. Reynolds Tobacco Company with sufficient correct information to issue a Form 1099 to the retailer for any taxable year covered by this agreement. In the case of an individual proprietorship, this sufficient correct information is his individual name and either his social security number or employer identification number for his sole proprietorship. In addition to the retailer's individual name, he may also provide his business name for the sole proprietorship, provided his individual name is listed before the business name. He may not furnish only the business name. With respect to partnerships, estates, trusts and similar entities, this information is the entity's or retailer's employer identification number as it appears on the partnership's Form 8501 (I.R.S. Form number). As soon as the applicable information is provided to and processed by R. J. Reynolds Tobacco Company, it will release any such withheld payments to the retailer. This portion of the provision does not apply if the retailer is a corporation.

This offer is extended pursuant to RJR's general display plan. In the judgment of the Company, it is available on proportionately equal terms to all competing retailers. Retailers selling cigarettes primarily by the package should contact RJR for alternative package display programs.

The undersigned retailer hereby affirms the understanding that only RJR approved self-service carton merchandisers apply pursuant to the terms and conditions of RJR's carton shelf plan and also affirms retailer's agreement that:

PAYMENT CALCULATION: \_\_\_\_\_ x \$ \_\_\_\_\_ = \$ \_\_\_\_\_  
Volume Category Total Rows Row Rate Monthly Payment

We/I understand that failure of performance of any of the above terms and conditions would no longer entitle retailer to participate in this contract or to utilize in any way merchandiser(s) furnished by RJR.

If you wish to accept this offer, please sign and date and return the original to your RJR Representative.

Is your organization a corporation, government agency, or tax exempt? ☐ YES ☐ NO  
 If no, enter your name as shown on your Social Security Card and either your SSN or TIN number in the applicable space provided below:

Individual Name: \_\_\_\_\_  
 Individual Proprietorship: \_\_\_\_\_ or Partnership: \_\_\_\_\_  
(Social Security Number) (Employer ID Number)

Store Name (Please Print) Jamesway Corporation RJR Account No. 0937-00-00

Street Address 40 Hartz Way RJR Territory No. \_\_\_\_\_

City Secaucus State New Jersey Zip Code 07094

Call Classification Discount Chain Branch (If Chain) Headquarters

### LIST PLAN(S) SELECTED

Type	Plan	Number of Qualifying Stores	Total Quarterly Dollar Amount
SS1	<u>B</u>	<u>see attachment</u>	\$ _____
SS1	<u>C</u>	<u>see attachment</u>	\$ _____
SS1	<u>D</u>	<u>see attachment</u>	\$ _____
			TOTAL \$ _____

2/1/94  
 Date Contract Signed

Retailer's Signature [Signature]  
 Title: Buyer

1/1/94  
 Contract Effective Date

R. J. REYNOLDS TOBACCO COMPANY  
 By: G. N. Kuruc, Jr., SCAM

FUNCTION	CONTRACT TYPE	PLAN	UNITS	EFFECTIVE
Function				
A = ADD				
E = END				
D = DELETE				
C = CHANGE				

51847 3711

## R. J. REYNOLDS TOBACCO COMPANY PACKAGE DISPLAY PLAN FOR UNIVERSAL PACKAGE MERCHANDISING

R. J. Reynolds Tobacco Company (RJR) is pleased to announce the following display payment plan, effective January 1, 1994, for retailers who have a minimum of three checkstands, satisfy a minimum weekly cigarette volume requirement of 225 cartons, and utilize self-service universal package merchandising (UPM) method in checklane areas.

### GENERAL REQUIREMENTS FOR PARTICIPATION:

- RJR Universal Package Merchandiser(s) at active checklane.
- RJR promotional display affixed to top of each UPM.
- RJR advertising on UPM.

Payments will be made on a quarterly basis as follows. All payments shown per month.

Plan	Pack Capacity Per Display	1 Merchandiser @ most active checklane	1 Merchandiser @ active checklane	2 Merchandisers @ active checklane
1	90+	\$80	\$35	\$100
2	120+	\$100	\$50	\$100
	Plan Type	A	B	C

Cigarette volume will be determined by the average total weekly sales of all brands during the most recent three-month period.

Retailer may qualify for (1) merchandiser at the most active checklane, plus (1) or (2) merchandisers at other active checklanes.

### SPECIFIC REQUIREMENTS:

#### • Universal Package Merchandiser

For the purpose of this contract, a UPM is defined as a loose pack merchandiser, with a built-in promotional display which should have the ability to be shopped from several sides. The merchandiser must be adjacent to an actual active checklane(s) of a retail store.

#### • Promotional Display

The UPM will have a promotional display which is to be used for R.J. Reynolds Tobacco Company brands. Cigarettes on this display must be front facing on all selling sides.

#### • Advertising

The UPM will contain areas designated for RJR advertising. The RJR Representative will, on a periodic basis, change these promotional messages to coincide with the quarterly work plan.

### GENERAL REQUIREMENTS:

- Distribution of all RJR brands in all price tiers as required.
- Retailers will continuously maintain on the fixture and in the display an adequate quantity of designated brands carried by the retailer, as selected by R.J. Reynolds Tobacco Company. Displayed brands must be unobstructed and self-service to the customer.
- Brand selections will correspond to the riser card promotional messages which will be periodically changed at the discretion of R.J. Reynolds Tobacco Company.
- The retailer will not permit posters, shelf strips, decals, or other advertising, promotional, or informational materials, including those relating to the retailer's own products, to be affixed or appended to any part of the display fixture except those of R.J. Reynolds Tobacco Company which are a part of or relate to said display.
- Retailer will permit R.J. Reynolds Tobacco Company's Representative to make reasonable audits of performance and to inspect and rotate stocks or R.J. Reynolds Tobacco Company's products in stores under contract.
- Retailer agrees to provide RJR accurate and current velocity information, to include RJR volume per week, and total industry volume per week.
- Retailer will provide RJR equal opportunity with its competitors, to place temporary displays and temporary price/promotion signage as requested by an RJR Representative.
- Retailer further agrees that restricting RJR's ability to display, promote or distribute RJR brands, or the ability to compete equally with other tobacco companies in all areas at retail, will result in termination of this contract.
- RJR reserves the right to modify or terminate this contract after notice to retailer. In the event of failure of performance by the retailer, this contract may be terminated by RJR forthwith and without notice.

51847 3712

R.J. Reynolds Tobacco Company will make payments by check as soon as practicable. Payments will be made for stores rendering full performance during a quarter, and on a pro rata basis for stores rendering performance for less than one full quarter but more than one calendar month. Retailer will not deduct amounts due under this contract from invoices due R.J. Reynolds Tobacco Company. However, R.J. Reynolds Tobacco Company may withhold payment from the retailer if the retailer fails to provide R.J. Reynolds Tobacco Company with sufficient correct information to issue a Form 1099 to the retailer for any taxable year covered by this agreement. In the case of an individual proprietorship, this sufficient correct information is his individual name and either his social security number or employer identification number for his sole proprietorship. In addition to the retailer's individual name, he may also provide his business name for the sole proprietorship, provided his individual name is listed before the business name. He may not furnish only the business name. With respect to partnerships, estates, trusts and similar entities, this information is the entity's or retailer's employer identification number as it appears on the partnership's Form 8501 (I.R.S. Form number). As soon as the applicable information is provided to and processed by R.J. Reynolds Tobacco Company, it will release any such withheld payments to the retailer. This portion of the provision does not apply if the retailer is a corporation.

The attached contract will remain in effect, unless and until terminated by either party upon 30 days written notice delivered to the other. In the event of failure of performance by the retailer, this contract may be terminated by R.J. Reynolds Tobacco Company forthwith and without notice.

This offer is extended pursuant to R.J. Reynolds Tobacco Company's general display plan, that, in the judgment of the Company, is made available on a proportionately equal terms to all competing retailers.

We/ the undersigned retailer and R.J. Reynolds Tobacco Company, by signing below, thereby agree, for the type plan and stores designated below, to the terms and conditions of the R.J. Reynolds Tobacco Company Universal Package Merchandising Display Plan, dated January 1, 1994.

Is your organization a corporation, government agency, or tax exempt? ☐ YES ☐ NO

If no, enter your name as shown on your Social Security Card and either your SSN or TIN number in the applicable space provided below:

Individual Name: \_\_\_\_\_  
 Individual Proprietorship: \_\_\_\_\_ or Partnership: \_\_\_\_\_  
 (Social Security Number) (Employer ID Number)

### LIST PLAN(S) SELECTED

Type	Plan	Number of Qualifying Stores	Total Quarterly Dollar Amount
UPM	2A	see attachment	\$ _____
UPM	_____	_____	\$ _____
UPM	_____	_____	\$ _____
TOTAL			\$ _____

Store Name (Please Print) Jamesway Corporation RJR Account No. 0937-00-00

Street Address 40 Hartz Way RJR Territory No. \_\_\_\_\_

City/State Secaucus, N. J. Zip Code 07094

Call Classification Discount Chain Branch (If Chain) Headquarters

2/1/94  
Date Contract Signed

Retailer's Signature [Signature]  
Title: Buyer

1/1/94  
Contract Effective Date

R. J. REYNOLDS TOBACCO COMPANY  
By: G. N. Kuruc, Jr. SCAM

FUNCTION	CONTRACT TYPE	PLAN	UNITS	EFFECTIVE
Function				
A = ADD				
E = END				
D = DELETE				
C = CHANGE				